



(Constituted in the Republic of Singapore
pursuant to a trust deed dated 9 October 2002 (as amended))

ANNOUNCEMENT

PROPOSED PLACEMENT OF 82,142,857 NEW UNITS IN ASCENDAS REAL ESTATE INVESTMENT TRUST THROUGH CITIGROUP AT AN ISSUE PRICE OF S\$1.4000 PER NEW UNIT

1. Further to the announcement of 15 June 2004 by the Board of Directors of Ascendas-MGM Funds Management Limited (as manager of Ascendas Real Estate Investment Trust (“**A-REIT**”)) (the “**Manager**”) that the Manager proposes to raise funds by way of a placement of up to 83,182,640 new units in A-REIT (“**New Units**”) at an issue price (the “**Issue Price**”) of between S\$1.3825 and S\$1.4250 per New Unit (the “**Placement**”), the Board wishes to announce that the Issue Price of the New Units has been agreed between the Manager and Citigroup Global Markets Singapore Pte. Ltd. at S\$1.4000 per New Unit.
2. At the Issue Price of S\$1.4000, the Placement will comprise 82,142,857 New Units (representing approximately 11.6% of the outstanding units in A-REIT as at the date of this announcement).
3. The Manager will be making an application to Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing and quotation of the New Units on the Main Board of the SGX-ST. Subject to SGX-ST granting its approval in-principle for the listing of and quotation for the New Units on the Main Board of the SGX-ST, the trading of the New Units on the SGX-ST is currently expected to commence on 24 June 2004. An announcement will be made once the in-principle approval of SGX-ST has been obtained.
4. The New Units, upon issue and allotment, will only be entitled to participate in the distributable income of A-REIT for the period from the date of their issue (the “**Issue Date**”) to 30 September 2004 whereas the existing Units are entitled to participate in A-REIT’s distributable income in respect of the whole of the current distribution period (4 March 2004 to 30 September 2004). From the next distribution period, the New Units will rank *pari passu* in all respects with the existing Units, including the right to any distribution which may be paid for that distribution period and all distributions thereafter.

5. As the New Units will not be entitled to participate in A-REIT's distributable income for the period from 4 March 2004 to the day immediately prior to the Issue Date, it is necessary for the New Units to trade under a separate stock counter, "AscendasREIT A", for the period commencing from the Issue Date to the last day of "cum-distribution" trading for both the New Units and the existing Units (with respect to distributions for the period from the Issue Date or, as the case may be, 4 March 2004 to 30 September 2004). After the last day of "cum-distribution" trading, the New Units and the existing Units will be aggregated and traded under the existing A-REIT stock counter on the next market day, i.e. the first day of "ex-distribution" trading for both the new Units and the existing Units.

By Order of the Board
Ascendas-MGM Funds Management Limited
Manager of Ascendas Real Estate Investment Trust (A-REIT)

Tay Hsiu Chieh
Company Secretary
16 June 2004

Important Notice

*The value of units in A-REIT ("**Units**") and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.*

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of A-REIT is not necessarily indicative of the future performance of A-REIT.